FINDING OF EMERGENCY

The Department of Motor Vehicles finds that the adoption of Section 15.07 in Title 13, Division 1, Chapter 1, Article 2, California Code of Regulations, is necessary for the immediate preservation of the public peace, health and safety, or general welfare.

FACTS DEMONSTRATING THE NEED FOR IMMEDIATE ACTION

The department finds that the emergency adoption of these regulations is necessary for the immediate preservation of the public peace, health and safety or general welfare pursuant to Government Code Section 11346.1(b). Senate Bill 1098 (Chapter 212, Stats. of 2004) was approved by the Governor on August 11, 2004, and became effective immediately as an urgency measure. Vehicle Code section 14902, as amended by SB 1098, provides that the fee for an identification card issued to a person with an income level qualifying for special assistance programs shall be \$6. Section 14902 provides that determination of eligibility for a reduced fee identification card shall made by a governmental or non-profit entity, which shall be subject to regulations adopted by the department. The department has already been contacted by an individual who works with homeless veterans inquiring about the availability of the reduced fee identification cards. Emergency adoption of these regulations is required in order for the department to immediately implement the provisions of SB 1098.

Unless the department immediately issues reduced fee identification cards, impacted individuals eligible for the reduced fee identification card may experience a delay in benefits that require positive identification such as medical care, welfare services, WIC services (Woman Infants and Children food program), food and nutrition programs, and other assistance programs, including shelter. Potential clients depend on identification in order to receive critical services.

FINDING OF EMERGENCY

The current fiscal crisis in California has caused the Department of Motor Vehicles, along with other programs throughout the state, to suffer a reduction in resources. In response to this fiscal crisis, Senate Bill 1055 (Chapter 719, Stats. of 2003) amended Vehicle Code section 14902 by increasing the fee for a California identification card from \$6 to \$20, and providing that an original or replacement identification card issued to a senior citizen shall be free of charge. However, some California residents cannot afford the increased fee for an identification card. Nevertheless, in order to receive public assistance services, proper identification is required. The proposed emergency regulations will enable persons at specified income levels to obtain a reduced fee identification card and obtain necessary public assistance and services that require identification.

AUTHORITY AND REFERENCE

The department proposes to adopt Section 15.07 under the authority granted by Vehicle Code Sections 1651 and 14902 in order to implement, interpret or make specific Vehicle Code Section 14902.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Vehicle Code Section 14902 provides for a \$6 fee for an identification card issued to a person with an income level qualifying for special assistance programs. Section 14902 provides that determination of eligibility for a reduced fee identification card shall made by a governmental or non-profit entity, which shall be subject to regulations adopted by the department. The proposed regulations govern the issuance of an identification card at a reduced fee to persons at a specified income level.

The department proposes to adopt Section 15.07 to identify the form required to be submitted in conjunction with an application for an identification card in order to verify that the applicant qualifies for a reduced fee identification card.

FISCAL IMPACT STATEMENT

- Cost or Savings to Any State Agency: None.
- Other Non-Discretionary Cost or Savings to Local Agencies: Local governmental agencies and non-profit agencies selecting to provide eligibility information to their clients under the proposed regulations may experience minimal, but varying costs due to the variety of organizations potentially involved. The proposed regulations are voluntary. Governmental and non-profit entities are not mandated by statute to provide verification of income eligibility to persons wishing to apply for a reduced fee California identification card.
- Costs or Savings in Federal Funding to the State: None.
- <u>Cost Impact on Representative Private Persons or Businesses:</u> The department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.
- Effect on Housing Costs: None.

DETERMINATIONS

The department has made the following initial determinations concerning the proposed regulatory action:

- The proposed regulatory action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. The regulatory action proposed by the department will provide for the issuance of a reduced fee California identification card to applicants who submit verification of a specified income level on a department form.
- The adoption of this regulation will not create or eliminate jobs or businesses in the state of California, nor will it result in the elimination of existing businesses, or reduce or expand businesses currently doing business in the state of California.

- The proposed regulatory action will not impose a mandate on local agencies or school
 districts, or a mandate that requires reimbursement pursuant to Part 7 (commencing
 with Section 17500) of Division 4 of the Government Code. Local government
 agencies and non-profits agencies may select to provide eligibility certification by
 completing a prescribed form.
- The proposed regulatory action will not affect small businesses. The regulatory action will establish a form to be submitted in conjunction with an application for a California identification card in order to pay a reduced fee for the identification card.

CONTACT PERSON

Inquiries relevant to the proposed action and questions on the substance of the proposed regulations should be directed to the department representative, Maria Grijalva, Department of Motor Vehicles, P.O. Box 932382, Mail Station E-244, Sacramento, California 94232-3820, telephone number (916) 657-9001, or mgrijalva@dmv.ca.gov. In the absence of the department representative, inquiries may be directed to the Regulations Coordinator, Deborah Baity at (916) 657-5690 or dbaity@dmv.ca.gov. The fax number for the Regulations Branch is (916) 657-1204.